

Meeting Summary
Otay Ranch POM Policy Committee Meeting
John Lippitt Public Works Center
1800 Maxwell Road
Chula Vista, CA 91911

October 15, 2009
2:00-4:00pm

Approved by the POM Policy Committee on 06/16/11

ATTENDEES:

City of Chula Vista

Pamela Bensoussan, Councilmember
Gary Halbert, Deputy City Manager
Marisa Lundstedt, Principal Planner
Josie McNeeley, Associate Planner
Jill Maland, Deputy City Attorney

County of San Diego

Greg Cox, Board of Supervisor, District 1
Chandra Wallar, Deputy Chief Administrative Officer, Land Use & Env. Group
Renee Hilton, Assistant Director, Department of Parks and Recreation (DPR)
Megan Hamilton, Group Program Manager, DPR
LeAnn Carmichael, Planning Manager, Department of Planning and Land Use
Cheryl Goddard, Land Use Environmental Planner, DPR
Mark Mead, County Counsel

Public

See Attachment A – Sign-in Sheet

Agenda Item Numbers noted in parentheses

1. **Call to Order**
(I.) Meeting called to order at 2:10pm by County of San Diego/SUPERVISOR GREG COX.
2. **Approval of POM PMT Meeting Minutes of May 29, 2009**
(II.) City of Chula Vista/COUNCILMEMBER PAMELA BENSOUSSAN motioned to approve the meeting minutes. Motion seconded by SUPERVISOR COX. Motion carried.
3. **Public Comment on items not related to Agenda**
(III.) SUPERVISOR COX opened and closed with no comment.

4. Status Report

(IV.A.) City of Chula Vista/MCNEELEY reported on the Preserve Steward/Biologist Scope of Work and Contract. The City Council approved the contract with RECON in August. A kick-off meeting with RECON was held last week. At the kick-off meeting, staff discussed priorities for the Preserve and expectations from RECON. RECON will begin site visits next week. A draft work plan is expected by early November. Updates regarding management and monitoring activities within the Preserve will be presented to the PMT and Policy Committee on a regular basis.

(IV.B.) MCNEELEY reported on access issues. There are pending conveyances from McMillin and Otay Ranch Company that have not yet been accepted due to access issues. Legal and physical access is required before the POM can accept the land. Legal and physical access cross through City of San Diego Public Utilities and Department of Fish and Game lands. Right of Entry permits are needed from these agencies. The Department of Fish and Game issued a Right of entry in May. POM staff is continuing to work with the City of San Diego who is in the process of granting a right of entry valid for up to 3 years. The permit may be renewed and the terms extended in 3 year increments. The City of San Diego's real estate division is limited in staff and the manager is currently issuing all right of entry permits.

SUPERVISOR COX asked if the right of entry needs to be approved by the City Council.

MCNEELEY stated no.

SUPERVISOR COX asked when the right of entry is anticipated to be granted.

MCNEELEY stated that additional figures are needed by the City before they can issue. Chula Vista staff will provide those figures and anticipates receiving the right of entry within two weeks.

(IV.C.) County of San Diego/LeAnn CARMICHAEL reported on the status of the Village 13 application. The applicant has been working on issues dealing with Quino checkerspot, vernal pools, the radius curve of Otay Lakes Road; they have chosen to balance the grading of the project because the owners are splitting the project into two separate stand alone projects. The exhibit in the Powerpoint reflects the latest proposed development footprint. The project proposes a new north-south preserve area in the center of the projects. This area has been proposed as preserve to address Quino issues. DPLU anticipates the applicant to resubmit in January.

5. Future Infrastructure

(V.) County of San Diego/CHERYL GODDARD provided background on future infrastructure. GODDARD stated that POM staff met with a mediator in April 2009. The mediator recommended that approval authority regarding the location of future infrastructure be placed on the jurisdiction in which the infrastructure is located and that all Otay Ranch policy documents reflect this recommendation. The Policy Committee at the last meeting directed staff to implement the mediator's recommendation. The mediator's recommendation will be implemented once the JPA and RMP2 are updated. The JPA and RMP2 are not anticipated to be presented to the Board of Supervisors and Chula Vista City Council until Spring 2010. In the interim, until the amended JPA and updated RMP2 are adopted by the Board and City Council, POM staff is proposing a future infrastructure policy. The Policy states that POM staff will amend the JPA and RMP2 per the mediator's recommendation, the County and the City agree to language to be placed on conveyance documents for pending and future conveyances, and it outlines the POM commenting process. The commenting process states that staff will review proposed future infrastructure locations within the Preserve and if there is no agreement it will be elevated to the PMT. The PMT will send the comment letter to the jurisdiction in which the infrastructure is to be located. The Policy Committee members will have an opportunity to comment on the infrastructure locations as members of their respective Board of Supervisors or City Council.

GODDARD stated that POM staff's recommendation is to approve the Future Infrastructure Policy dated September 30, 2009 with the addition of the following language to be added as a bullet under C. POM Process for Commenting on Placement of Infrastructure Facilities: If for some reason the process is not completed within 45 days or the end of the public review period, POM staff for each jurisdiction shall, under the direction of the respective PMT representative, submit the jurisdiction's comments to the jurisdiction in which the infrastructure is located.

COUNCILMEMBER BENSOUSSAN motioned to approve the recommendation. Motion seconded by SUPERVISOR COX. Motion carried.

6. Future Preserve Owner/Manager Alternatives

(VI.) GODDARD provided background on future POM alternatives. The PMT and Policy Committee directed staff to explore future POM alternatives per the JPA which requires that the agreement and POM structure be reviewed every 5 years. The alternatives include the Existing POM, Adjacent public land managers manage lands east of Otay Lakes, Third Party POM, Non-Governmental Organization (NGO), each jurisdiction manages conveyed preserve land within their respective jurisdiction, and each jurisdiction manages conveyance land associated with its a development. GODDARD clarified that the option to transfer lands to adjacent public land managers could be implemented in conjunction with any of the remaining POM structure alternatives.

The adjacent public land managers include the Refuge, BLM, Fish and Game, and the City of San Diego.

GODDARD stated that the Policy Committee directed staff to come back with recommendations regarding the ranking of the alternatives. Staff's recommendation is to pursue the transfer of lands east of Otay Lakes to adjacent public land managers. Staff recommends ranking Jurisdictional POM in which each jurisdiction manage preserve lands within their jurisdiction as the top rank and secondly Third Party POM where a third-party would manage and take fee-title to the land.

SUPERVISOR COX asked if there was a Third Party POM that has been identified.

GODDARD stated no. Staff would need to advertise a Request for Proposal and solicit interest in becoming the Third Party POM for the Preserve.

SUPERVISOR COX asked if we went with the Jurisdictional POM alternative could each jurisdiction work with the same preserve biologist/steward.

GODDARD stated that the purpose of the Jurisdictional POM is to avoid future policy disagreements between the County and City. This includes separating POM related documents such as the RMPs and the General Development Plan/Subregional Plan. Once those documents are separated, there is an opportunity for the County and City to work with the same preserve biologist/steward to manage and monitor the lands.

SUPERVISOR COX asked how many acres would potentially go to adjacent land managers.

GODDARD stated approximately 6500 acres.

SUPERVISOR COX asked what the remaining acreage would be within the Preserve.

GODDARD stated that there is approximately 3,000 acres within the City's jurisdiction and another 1,000 acres within the County's jurisdiction within the Otay Mesa area.

COUNCILMEMBER BENSOUSSAN asked if the remainder of the Preserve would be managed by the Jurisdictional POM.

CITY OF CHULA VISTA/GARY HALBERT stated that as SUPERVISOR COX mentioned earlier, the lands could be managed by one entity such as an NGO or non-profit and that there are also for-profit entities that could manage the land.

COUNCILMEMBER BENSOUSSAN asked if the entity would be chosen through an RFP process and if both the County and City would need to be in agreement on who to choose.

GODDARD stated that if Jurisdictional POM were implemented the County and City could independently manage the preserve lands within its jurisdiction. This would not preclude the County and City working together in finding one land manager.

COUNCILMEMBER BENSOUSSAN asked if there would be one contract between the County, City, an consultant.

HALBERT stated that it could be one RFP process with ultimately two separate contracts or possibly with one contract.

COUNCILMEMBER BENSOUSSAN asked what would happen if the County and City could not come to agreement on which entity to choose.

GODDARD stated that if there wasn't a unanimous decision on which entity to choose, the County and City could choose separate entities.

SUPERVISOR COX asked if CFD 97-2 would cover the remaining 4,000 acres within the County Otay Mesa area and within the City's jurisdiction.

GODDARD stated that the existing CFD 97-2 would continue to fund lands as well as the funding mechanism established for lands developed within the unincorporated.

SUPERVISOR COX asked if the same amount of revenue will collected for the remainder of the 4,000 acres.

MCNEELEY stated that the assessment amount may decrease based on the needs of the Preserve.

SUPERVISOR COX asked if the revenues collected by the CFD established in association with Village 13 will be collected similar to the existing CFD.

GODDARD stated that Village 13 will be conditioned to establish a CFD or similar funding mechanism for management of preserve lands conveyed to the POM as a part of the Village 13 project.

SUPERVISOR COX asked if the Village 13 conveyance land will be located within the County's jurisdiction in the Otay Mesa area.

GODDARD stated that based on the last meeting with the applicants, conveyance lands associated with Village 13 will be located east of Otay Lakes.

SUPERVISOR COX stated that those lands would eventually go to the other public land managers.

GODDARD stated yes if the public land managers accept the land.

SUPERVISOR COX stated that the existing CFD is limited to what it could be used for. Could the CFD be modified to be used for trail construction and add benches?

MCNEELEY stated that the CFD could not be used to construct or maintain trails. Modification to the CFD would require a vote.

City of Chula Vista/MARISA LUNDSTEDT stated that if lands are transferred to other public agencies, the CFD funds could be used for educational programs and enhancement projects within the regional park.

SUPERVISOR COX stated that the Baldwin Agreement memorialized the Refuge's intention to accept lands east of Otay Lakes. SUPERVISOR COX asked if similar agreements exist for the Department of Fish and Game and BLM.

LUNDSTEDT stated not at this time. Staff is in the process of drafting Letters of Understanding that would memorialize their intentions to take the Preserve lands.

MCNEELEY clarified that CFD funds cannot be used on State or Federally owned, operated, or managed lands.

SUPERVISOR COX asked if that also applied to City of San Diego lands.

MCNEELEY stated that staff would need to research that further.

SUPERVISOR COX asked if there were opportunities to complete land swaps with the public agencies so that management and monitoring would become more effective.

MCNEELEY stated that could be looked into further.

GODDARD stated that the next steps for POM staff are to continue meeting with the adjacent public land managers, per the direction of the PMT, staff is to research impacts to the CFD if lands are transferred to these other agencies, and research taxing limitations, if any, for lands that are annexed into CFD 97-2 or to any newly created CFDs. At the next Policy Committee meeting, staff will provide the outcome of the meetings with the adjacent land managers as well as provide an update on RECONs management and monitoring work.

GODDARD stated that POM staff recommends that the POM pursue Jurisdictional POMs where each jurisdiction manages lands within its respective jurisdiction; explore funding agreement options; explore NGO options; continue to pursue the transfer of lands to adjacent public land managers east of Otay Lakes.

COUNCILMEMBER BENSOUSSAN motioned to approve the recommendation. Motion seconded by SUPERVISOR COX. Motion carried.

7. Finance

(VII.A.) MCNEELEY reported on the FY08-09 Budget Actuals. The estimated budget for FY08/09 was \$505,000. The City went to levy for \$510,339. Revenues received as of September 1st totaled \$432,520. The total expenditures for FY08/09 totaled \$251,178. The year end fund balance was \$234,367. This is an approximate balance. Administrative costs exceeded the budgeted amount primarily due to work completed on future infrastructure, mediation, as well as work completed regarding alternative POM structures.

MCNEELEY stated that the FY09/10 budget is \$871,265. This includes approximately \$400,000 of roll-over funds that are not included in the year end fund balance total. The remainder of the budget is to cover administration and preserve management and monitoring.

(VII.b) MCNEELEY reviewed the 5-year forecast. The forecast reflects a projected 15% delinquency rate for the fiscal years shown on the table. The expenditures for FY08/09 have been updated. In previously presented 5-year tables, the columns for preserve operations and maintenance and management and monitoring were separated. Since RECON has been contracted as the Preserve steward biologist, these columns have been combined. A column for roll-over funds has been added to the table. The rollover amount previously discussed of \$400,000 is the total from last years rollover of \$340,000 and the rollover from the year previous to that. The Reserve Balance formula has been corrected. It is difficult to update the table through FY13/14. These numbers are purely estimates. With RECON on board, they will be better equipped to provide more accurate estimates. The number of taxable parcels has been estimated to increase over the years at an average of approximately 150 parcels each year.

SUPERVISOR COX asked if there was cause for alarm since the 5-year forecast is showing a depletion of the reserve funds over the next 5 years. The forecast is showing that more funds are needed than what is being collected.

MCNEELEY stated RECON will be submitting a work plan and that will provide a more accurate cost reflection of management and monitoring cost. Those costs will be adjusted for the FY 10/11. Additionally the forecast factors in a 15% delinquency rate. Hopefully that number will improved. At this time, the numbers may look alarming however, they are based on many assumptions at this time and will be updated/modified as staff obtains more data.

GODDARD stated that the County is looking closely at the 5-year forecast as a tool to ensure that there will be enough funding available to manage and monitor lands within the unincorporated if Jurisdictional POM is to be implemented. The County and the City will need to come to a funding agreement in order to implement the Jurisdictional POM.

8. Next Policy Committee Meeting

(VIII.) SUPERVISOR COX stated he anticipates the next Policy Committee to be in January. If staff needs the Policy Committee to reconvene sooner, that could be arranged.

10. Adjournment

(X.) Meeting was adjourned at 3:10 pm.